Shively Labs
a division of Howell Laboratories, Inc.

- An Employee-Owned Company -

P.O. Box 389 Harrison Rd.,
Bridgton, Maine 04009 USA

(207) 647-3327
888-SHIVELY
FAX: (207) 647-8273
E-mail: sales@shively.com
Web site: www.shively.com

July 14, 2004

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: MM Docket No. 99-325

Dear Ms. Dortch:

On behalf of Shively Labs, I am writing in response to the Federal Communications Commission's Further Notice of Proposed Rulemaking in this proceeding. Shively Labs supports the FCC's efforts to designate IBOC as a permanent service and to foster the rollout of this technology through the implementation of final IBOC rules.

Shively Labs, a Division of Howell Laboratories in Bridgton, Maine, is a leading manufacturer in the broadcast antenna industry. Since 1963, Shively Labs has been supplying FM broadcast antennas, filters, combiners, and related equipment to more than 70 countries around the world. Our customers are both commercial and non-commercial broadcasters and include the largest broadcast chains in North America, as well as private, individually owned stations. We also count the International Broadcasting Bureau/Broadcasting Board of Governors among our customers.

Shively Labs has been involved with developing equipment and researching implementation techniques for over 10 years working with iBiquity Digital Corporation and its predecessors. In addition to developing HD Radio specific equipment such as injector-filters and interleaved antennas, Shively Labs has pioneered a number of implementation techniques based on conventional equipment designed to minimize the cost of implementation. These techniques include back-feeding combiners, dual antennas, and panel antenna combining using dual input hybrids. These techniques have evolved to the point where today, it is not uncommon for a station to have a choice of implementation strategies, ensuring the final choice will be the most cost effective.

Interleaved and dual antenna systems have been very popular with our customers. Both options allow the broadcaster to implement HD Radio without resorting to energy wasteful high level combining. Shively Labs first introduced the interleaved

analog/digital antenna at NAB 2002 where it immediately won an award for its promise to make digital implementation cost effective for small broadcasters. At NAB 2004 it was still winning awards, a sign of the importance interleaved antennas are playing in HD Radio implementation. Dual antennas are also popular, particularly with broadcasters already looking to add cost effective auxiliary backup facilities or who can not afford the disruption caused by replacing their main broadcast antenna.

We have noticed a growing enthusiasm for HD Radio products among our US customer base. This enthusiasm is growing as increasingly cost effective implementation strategies become available. We have seen a strong demand for HD Radio products and are preparing an increasing number of proposals for broadcasters to use in their budgeting processes. We expect the demand for HD Radio products to increase as more receivers enter the market and the performance benefits of digital FM radio become known to consumers. In the meantime, we continue to research and develop new products and strategies to HD Radio implementation increasingly attractive to the full range of broadcasters.

Shively Labs strongly supports the FCC's efforts to promote the adoption of digital radio and to develop final rules for digital service. Although the existing interim rules for digital broadcasts have allowed the broadcast industry to begin the digital transition, Shively Labs believes that development of final IBOC rules will eliminate any lingering regulatory uncertainty relating to the interim nature of the current authorization and will provide an additional incentive for broadcasters to convert to digital broadcasts. Particularly in the case of smaller groups and individually owned stations, greater regulatory certainty will provide a more positive environment that will encourage those broadcasters to make the necessary investment in HD Radio technology.

The Commission also should promote policies that provide broadcasters and equipment manufacturers with the flexibility necessary to fully realize the benefits of HD Radio technology. The Commission's rules on digital service should not impose greater burdens on the digital broadcast than currently exist for analog broadcasts. Excessive regulation will discourage widespread adoption of the technology. The test results presented to the broadcast industry over the past several years have demonstrated that IBOC presents little risk of harmful interference to existing analog broadcasts. In this environment there is no need for the FCC to unduly burden the digital broadcast with detailed regulations.

The Media Bureau recently authorized FM stations operating digitally to use a separate antenna implementation for their digital signal after obtaining a Special Temporary Authorization. Shively Labs encourages the Commission to write its final IBOC rules to permanently provide broadcasters flexibility to implement IBOC in the

most effective manner available for each station. In the case of antenna implementations, the Commission should delegate to the Media Bureau authority to approve innovative antenna implementations for IBOC without the need for Commission approval of every innovation. The Media Bureau should be instructed to adopt a presumption that antenna implementations conform to the Commission's rules absent a showing of potential harm or interference due to the new implementation. The Commission has had sufficient opportunity to observe the orderly rollout of HD Radio technology and to become comfortable that ongoing regulation can be minimized. Similarly, the Commission should use its existing equipment certification procedures to regulate the broadcast equipment used for digital broadcasts but should not burden the radio industry with a requirement that every innovation in HD Radio implementation receive prior Commission authorization. It is likely that the first several years of station implementations will see many innovations and improvements in digital operations and transmission equipment. All stations that are able to take advantage of these innovations should have that opportunity without the need for Commission authorization on a station by station basis.

Shively Labs appreciates the opportunity to offer its views on the Commission's proposals and encourages the FCC to expedite its completion of its IBOC rules.

Respectfully submitted,

David G. Allen
Sales Manager

DGA/slt